

Washington State Tax Credit and Rideshare Subsidy Grant for Employers Providing Rideshare Subsidies to Employees

Credit on Washington State Business & Occupation (B&O) or Utility tax is allowed for subsidies paid to employees for using public transit, state ferries, carpooling in a vehicle with three or more persons, or bicycling or walking to work. The credit is equal to half the amount an employer subsidizes for each employee, but may not exceed \$60 per employee per year or a total of \$100,000 in any calendar year. Subsidies for two-person carpools are eligible for credit as well, but only at 30%, up to \$60 per employee per year.

Employers need to be aware that there is an annual statewide cap of \$2.25 million at this time. This means the tax credits will only be granted until the time when the statewide cap is reached each calendar year.

For more information, contact the State Department of Transportation, Public Transportation and Rail Division (360-705-7846) or visit their website at: www.dor.wa.gov.

*Questions regarding interpretation or
administration of tax codes
should be directed to your company's tax
attorney or accountant.*